

## Message Text

UNCLASSIFIED

PAGE 01 ROME 00072 051102Z

21

ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 FRB-01 CIEP-02

OMB-01 XMB-04 CIAE-00 INR-07 NSAE-00 /035 W

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P R 051025Z JAN 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC PRIORITY 4962

AMCONSUL MILAN

AMCONSUL NAPLES

UNCLAS ROME 0072

E.O. 11652: N/A

TAGS: EFIN, IT

SUBJECT: LENDING TO ITALIAN BORROWERS U.S. BANKS

PASS TREASURY AND FRB

1. MILAN FINANCIAL DAILY /24 ORE/ CARRIERS FRONT PAGE ARTICLE JANUARY 3 REPORTING THAT COMPTROLLER OF CURRENCY HAS JUST BEGUN INVESTIGATION OF U.S. BANKS' LENDING TO ITALIAN BORROWERS IN ORDER TO DETERMINE WHETHER BANKS HAVE EXCEEDED LIMIT ON MAXIMUM CREDIT WHICH MAY BE GRANTED TO ANY INDIVIDUAL BORROWER. ARTICLE REPORTS THAT COMPTROLLER CONSIDERS THAT COMPENSATORY LOANS MADE FOR BALANCE OF PAYMENTS REASONS TO VARIOUS ITALIAN STATE ENTITIES IN PERIOD 1973-74 WERE, IN FACT, LOANS TO SINGLE FOREIGN BORROWER, I.E. ITALIAN STATE. UNDER THIS INTERPRETATION, SOME U.S. BANKS MAY HAVE EXCEEDED SINGLE BORROWER LIMIT. ARTICLE NOTES THAT, APART FROM CREATING POSSIBLE LEGAL PROBLEM FOR INDIVIDUAL BANKS REGARDING THEIR PAST LOANS, INTERPRETATION COULD ALSO INHIBIT RESUMPTION OF LENDING TO ITALIAN BORROWERS DURING 1976.

3. EMBASSY WOULD APPRECIATE GUIDANCE ON CORRECTNESS OF THIS REPORT, ESPECIALLY SO AS TO BE ABLE TO RESPOND TO POSSIBLE QUESTIONS FROM BANK OF ITALY OR MINISTRY TREASURY OFFICIALS. VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICE INVESTIGATIONS, BANKS, LOANS, CREDIT CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 JAN 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** castelsl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 JUL 2004  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** LENDING TO ITALIAN BORROWERS U.S. BANKS PASS TREASURY AND FRB  
**TAGS:** EFIN, IT, US  
**To:** STATE NAPLES  
**Type:** TE  
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